

TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE



FISCAL MEMORANDUM

HB 1155 - SB 1612

March 23, 2021

**SUMMARY OF ORIGINAL BILL:** Requires a business buying or selling used automobile parts to keep permanent records of such transactions involving unattached catalytic converters and to register such with the chief of police and sheriff of each city and county in which the activity is carried on.

FISCAL IMPACT OF ORIGINAL BILL:

NOT SIGNIFICANT

**SUMMARY OF AMENDMENT (005745):** Deletes all language after the enacting clause. Requires any person who buys or sells unattached catalytic converters as a single item to give written notification of such to the chief of police and sheriff of each city and county in which the activity is carried on. Requires any person who buys unattached catalytic converters be registered as a scrap metal dealer. Specifies that such provisions do not apply to a catalytic converter that has been tested, certified, and labeled, or otherwise approved for reuse, and being bought or sold for purposes of reuse, in accordance with the federal Clean Air Act. Prohibits the shipping of a catalytic converter unless between licensed entities. Clarifies those authorized to possess or sell a converter. Creates a Class A misdemeanor offense, punishable by fine only, for a person to possess a used, detached catalytic converter who does not have authorization to do so.

**FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENT:**

**Unchanged from the original fiscal note.**

Assumptions for the bill as amended:

- Pursuant to Tenn. Code Ann. § 55-5-108(a)(1), any person, firm, or corporation engaged in the business of buying or selling used automobile parts shall keep permanent records of transactions of buying or selling engines, transmissions, vehicle bodies, chassis, doors, deck lids, front end clips (fenders and grill), seats, differentials, tires and wheels, steering wheels, automobile radios and automobile tape players, and bumpers. The record must include from whom the item was purchased and the seller's address and driver license number, and to whom the item was sold and the purchaser's address and driver license number, as well as the description of the item and any identifying number

or numbers. The records must be kept for a period of three years from the date of the transaction and made available to all law enforcement officers for inspection at any reasonable time during business hours without prior notice or the necessity of obtaining a search warrant.

- Requiring any person engaged in the business of buying or selling unattached catalytic converters as a single item and not as part of a scrapped motor vehicle to give written notification to the chief of police and sheriff of each city and county in which the activity is carried on can be accommodated with existing police and sheriff resources and personnel. There will not be a significant increase to local government expenditures.
- Requiring any person who buys unattached catalytic converters be registered as a scrap metal dealer is not expected to significantly increase the total registrations through the Department of Commerce and Insurance.
- Prohibiting the shipping of a catalytic converter unless between licensed entities will not significantly impact state or local government expenditures.
- Any increase in caseloads to trial courts can be accommodated within existing resources without an increased appropriation or reduced reversion.
- There will not be a sufficient number of Class A misdemeanor prosecutions for state or local government to experience any significant increase in revenue or expenditures.

## **CERTIFICATION:**

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink that reads "Krista Lee Carsner". The signature is written in a cursive, flowing style.

Krista Lee Carsner, Executive Director

/jg